

87<sup>th</sup> Legislative Session – 2012

Committee: House Appropriations

Monday, February 27, 2012

P - Present  
E - Excused  
A - Absent

Roll Call

P Dennert  
P Wismer  
P Bolin  
P Romkema  
P Dryden  
P White  
P Deelstra  
P Carson, Vice-Chair  
P Wink, Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Representative Dean Wink.

SB 77: provide for the establishment of a scholarship program for postsecondary technical institute students and to make an appropriation therefor.

Presented by: Senator Russell Olson (Handouts: 1, 2, and 3)  
Representative Mitch Fargen

Proponents: Tony Venhuizen, Office of the Governor  
Dick Tieszen, Technical Institutes  
Deb Shephard, Lake Area Technical Institute  
Cathy Anderson, Western Dakota Technical Institute  
Jeff Holcomb, Southeast Technical Institute  
Representative Roger Solum  
David Owen, SD Chamber of Commerce and Industry

MOTION: AMEND SB 77

77fa

On the Senate Education Committee engrossed bill, delete everything after the enacting clause and insert:

" Section 1. The Dakota Tech scholarship program is hereby established within the Department of Labor and Regulation. Dakota Tech scholarships shall be awarded to encourage students at South Dakota's postsecondary technical institutes who are trained for employment in areas of critical need to remain in South Dakota upon completion of their postsecondary technical education. The Department of Labor and Regulation shall provide for the awarding of Dakota Tech scholarships in accordance with the provisions of this Act.

Section 2. Terms used in this Act mean:

- (1) "Area of critical need," an occupation within South Dakota for certain types of employers in certain geographical areas as specified by rules promulgated by the department pursuant to section 14 of this Act;
- (2) "Dakota Tech scholarship award," an amount awarded to an individual student under the Dakota Tech scholarship program;
- (3) "Department," the Department of Labor and Regulation;
- (4) "Postsecondary technical institute," a postsecondary institute established pursuant to chapter 13-39.

Section 3. The Department of Labor and Regulation shall administer the Dakota Tech scholarship program. The department shall, in accordance with the provisions of this Act, provide for the selection of scholarship recipients, the disbursement of scholarship funds, the collection and repayment of funds from recipients who have become ineligible, and other measures necessary for the implementation of this Act.

Section 4. To be eligible for a Dakota Tech scholarship a person shall:

- (1) Have a high school diploma or general equivalency diploma (GED);
- (2) Agree in writing to stay in South Dakota and work in an area of critical need for a period of four years following graduation from a postsecondary technical institute; and
- (3) Enroll in or be accepted for enrollment by a postsecondary technical institute for a course of study in an area of critical need leading to a technical degree from the postsecondary technical institute.

Section 5. In order to maintain eligibility for a Dakota Tech scholarship a person shall:

- (1) Maintain a 2.5 grade point average on a 4.0 scale and maintain standing as a full-time or part-time student at a postsecondary technical institute;
- (2) Attend a postsecondary technical institute and earn a technical degree in an area of critical need within four years after the person's first enrollment at the technical institute.

Section 6. A Dakota Tech scholarship award shall be in the amount of five thousand dollars per student and is awarded once for the duration of the student's course of study. The department may award Dakota Tech scholarships only to the extent that funds are available to provide scholarships. If the amount of money in the Dakota Tech scholarship fund is insufficient to provide a Dakota Tech scholarship to all eligible applicants, the department shall consider a person's field of study and financial need in awarding a Dakota Tech scholarship.

Section 7. If a person has been awarded a Dakota Tech scholarship, the department shall pay the postsecondary technical institute at which the person is enrolled the amount of five thousand dollars, to be deducted from the person's tuition and fees over the duration of the person's course of study. The amount of the scholarship constitutes an obligation owed by the person to the department, which may be discharged as provided in sections 8 to 11, inclusive, of this Act.

Section 8. A person who has received a Dakota Tech scholarship is not required to repay any part of the scholarship if within six months of earning an eligible technical degree the person begins employment and is continuously employed in South Dakota for a period of forty-eight consecutive months in an area of critical need. A course of study and corresponding employment or occupation that was deemed an area of critical need at the time of the person's scholarship award remains an area of critical need for the duration of the person's course of study and for the forty-eight month employment period for purposes of determining any repayment obligation that the person may incur.

Section 9. If a person who has received a Dakota Tech scholarship does not maintain eligibility as specified in section 5 of this Act, the person shall reimburse the department the amount of the scholarship paid on behalf of the person, according to a repayment schedule set by the department in rules promulgated pursuant to chapter 1-26.

Section 10. If a person who has received a Dakota Tech scholarship does not meet the requirement in section 8 of this Act, the person shall reimburse the department the amount of the scholarship paid on behalf of the person, according to a repayment schedule set by the department in rules promulgated pursuant to chapter 1-26. The amount of repayment shall be based on the ratio of forty-eight months minus the number of months a person was continuously employed in an area of critical need to forty-eight months.

Section 11. If a person who has received a Dakota Tech scholarship is unable to maintain

eligibility or remain employed in an area of critical need for forty-eight consecutive months due to factors outside the control of the person, the department may waive or delay the eligibility or repayment provisions of this Act.

Section 12. A person who has received a Dakota Tech scholarship shall annually report to the department the person's academic and occupational status on forms prescribed by the department.

Section 13. The Dakota Tech scholarship fund is hereby established as a separate fund in the state treasury to be administered by the Department of Labor and Regulation. Money in the fund shall be used to implement the Dakota Tech scholarship program established pursuant to this Act. Money may enter the fund through legislative appropriations, fees, contributions, donations, grants, loans, interest received on money in the fund, and any other lawful public or private source. Money in the fund shall be appropriated by the Legislature through the normal budget process. Any expenditure from the fund shall be paid on warrants drawn by the state auditor on vouchers approved by the secretary of the Department of Labor and Regulation.

Section 14. The Department of Labor and Regulation shall promulgate rules, pursuant to chapter 1-26, to implement the Dakota Tech scholarship program. The rules shall define occupations and geographical areas as areas of critical need, establish procedures for the awarding and acceptance of scholarships, establish requirements and guidelines to be followed by the department in implementing the program, establish criteria for monitoring the academic and occupational status of persons who have received a scholarship, establish financial need criteria, establish repayment schedules, and establish other procedures and requirements necessary for the implementation of the scholarship program.

Section 15. There is hereby appropriated from the general fund the sum of one million dollars (\$1,000,000), or so much thereof as may be necessary, to the Department of Labor and Regulation to be deposited into the Dakota Tech scholarship fund and made available, beginning on the effective date of this Act, to fund scholarships under the Dakota Tech scholarship program as provided in this Act. This appropriation may be used only for the funding of scholarships under the program. Administrative costs and other costs incurred in the implementation of the program may be met only through the use of funds from sources other than this appropriation.

Section 16. The secretary of the Department of Labor and Regulation shall approve vouchers and the state auditor shall draw warrants to pay expenditures authorized by this Act.

Section 17. Any amounts appropriated in this Act not lawfully expended or obligated by June 30, 2013, shall revert in accordance with the procedures prescribed in chapter 4-8."

Moved by: Carson  
Second by: Dennert

Action: Failed by roll call vote. (4-5-0-0)

Voting Yes: Dennert, Wismer, Dryden, Carson

Voting No: Bolin, Romkema, White, Deelstra, Wink

MOTION: AMEND SB 77

77ba

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Section 9. If a person who has received a Dakota Tech scholarship does not maintain eligibility as specified in section 5 of this Act, the person shall reimburse the department the amount of the scholarship paid on behalf of the person, according to a repayment schedule set by the department in rules promulgated pursuant to chapter 1-26.

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Section 13. The Dakota Tech scholarship fund is hereby established as a separate fund in the state treasury to be administered by the Department of Labor and Regulation. Money in the fund shall be used to implement the Dakota Tech scholarship program established pursuant to this Act. Money may enter the fund through legislative appropriations, fees, contributions, donations, grants, loans, interest received on money in the fund, and any other lawful public or private source. Money in the fund shall be appropriated by the Legislature through the normal budget process. Any expenditure from the fund shall be paid on warrants drawn by the state auditor on vouchers approved by the secretary of the Department of Labor and Regulation.

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Section 15. There is hereby appropriated from the general fund the sum of one hundred dollars (\$100), or so much thereof as may be necessary, to the Department of Labor and Regulation to be deposited into the Dakota Tech scholarship fund and made available, beginning on the effective date of this Act, to fund scholarships under the Dakota Tech scholarship program as provided in this Act. This appropriation may be used only for the funding of scholarships under the program. Administrative costs and other costs incurred in the implementation of the program may be met only through the use of funds from sources other than this appropriation.

Section 16. The secretary of the Department of Labor and Regulation shall approve vouchers and

the state auditor shall draw warrants to pay expenditures authorized by this Act.

Section 17. Any amounts appropriated in this Act not lawfully expended or obligated by June 30, 2013, shall revert in accordance with the procedures prescribed in chapter 4-8."

Moved by: Carson  
Second by: White  
Action: Prevailed by voice vote.

MOTION: DO PASS SB 77 AS AMENDED

Moved by: Carson  
Second by: Deelstra  
Action: Prevailed by roll call vote. (9-0-0-0)

Voting Yes: Dennert, Wismer, Bolin, Romkema, Dryden, White, Deelstra, Carson, Wink

SB 139: establish the Teach for America grant program within the Department of Education and to make an appropriation therefor.

Presented by: Senator Phyllis Heineman  
Proponents: Jim Curran, Teach for America  
Drew Madson, Self, Allen  
Representative Kevin Killer  
Opponents: Dianna Miller, Large School Group  
John Pedersen, School Administrator of South Dakota  
Wade Pogany, Associated School Boards of SD  
Charlie Flowers, SD United Schools Association

MOTION: AMEND SB 139

139ba

On page 2, line 19, of the Senate engrossed bill, delete "dollar (\$1)" and insert "hundred dollars (\$100)".

Moved by: Carson  
Second by: Deelstra  
Action: Prevailed by voice vote.



MOTION: DO PASS SB 139 AS AMENDED

Moved by: Carson  
Second by: Dryden  
Action: Prevailed by roll call vote. (6-1-2-0)

Voting Yes: Wismer, Bolin, Dryden, Deelstra, Carson, Wink

Voting No: Romkema

Excused: Dennert, White

SB 193: revise the General Appropriations Act for fiscal year 2012 and to declare an emergency.

Presented by: Colin Keeler, Bureau of Finance and Management  
Proponents: Representative Tad Perry  
Eric Ollila, SD State Employees Organization  
Betty Oldenkamp, Self, Sioux Falls

MOTION: AMEND SB 193

193ub

On page 2, line 16, of the Senate Appropriations Committee engrossed bill, delete "17" and insert "2".

On page 2, line 18, delete "BUREAU OF FINANCE AND MANAGEMENT" and insert "DEPARTMENT OF EXECUTIVE MANAGMENT".

Moved by: Carson  
Second by: Dennert  
Action: Prevailed by voice vote.

MOTION: AMEND SB 193

193bb

On page 2, line 20, of the Senate Appropriations Committee engrossed bill, delete "\$12,296,256" and insert "\$1".

On page 2, line 21, delete "\$5,692,174" and insert "\$1".

On page 2, line 22, delete "\$13,210,064" and insert "\$1".

On page 2, line 23, delete "\$193,023" and insert "\$1".

Moved by: Carson  
Second by: Deelstra  
Action: Prevailed by voice vote.

Voting No: Dennert

MOTION: DO PASS SB 193 AS AMENDED

Moved by: Carson  
Second by: Deelstra  
Action: Prevailed by roll call vote. (9-0-0-0)

Voting Yes: Dennert, Wismer, Bolin, Romkema, Dryden, White, Deelstra, Carson, Wink

MOTION: TO APPROVE THE MINUTES OF FEBRUARY 22, 2012

Moved by: Bolin  
Second by: Dennert  
Action: Prevailed by voice vote.

MOTION: ADJOURN

Moved by: Carson  
Second by: Dryden  
Action: Prevailed by voice vote.

Lisa Shafer  
Committee Secretary

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Dean Wink, Chair